Brian W. Brokate (BB 5830) John Macaluso (JM 2058) Walter-Michael Lee (WL 6353) Gibney, Anthony & Flaherty, LLP 665 Fifth Avenue New York, New York 10022 Telephone: (212) 688-5151

Facsimile: (212) 688-8315 Attorneys for Plaintiff

UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK

ROLEX WATCH U.S.A., INC.,

Plaintiff,

v.

JULIO MUNOZ, individually and d/b/a <u>WWW.YOUTUBEWATCHES.COM;</u> UNKNOWN WEBSITES 1-10; "JOHN DOES" 1-10; and UNKNOWN ENTITIES 1-10

Defendants.

Case No.

AFFIDAVIT OF CHARLES BERTHIAUME IN SUPPORT OF PLAINTIFFS' EX PARTE APPLICATION FOR A TEMPORARY RESTRAINING ORDER; ORDER TO SHOW CAUSE WHY A PRELIMINARY INJUNCTION SHOULD NOT BE ISSUED; EXPEDITED DISCOVERY ORDER; AND AN ORDER TEMPORARILY SEALING THE COURT FILE.

CHARLES BERTHIAUME, hereby declares and states under penalty of perjury as prescribed by 28 U.S.C. §1746:

1. I am the Senior Vice President – Technical Operations for the plaintiff, Rolex Watch U.S.A, Inc. ("Rolex") and I submit this declaration in support of Rolex Watch U.S.A., Inc.'s *ex parte* application for a temporary restraining order; order to show cause why a preliminary injunction should not be issued; expedited discovery order; and an order temporarily sealing the court file against defendant Julio Munoz, individually and d/b/a www.youtubewatches.com; Unknown Websites 1-10; "John Does" 1-10; and Unknown Entities 1-10, (hereinafter collectively referred to as "Defendants").

www.youtubewatches.com; Unknown Websites 1-10; "John Does" 1-10; and Unknown Entities 1-10, (hereinafter collectively referred to as "Defendants").

- 2. The facts set forth in this declaration are known personally by me or from a review of Rolex's records and are known to be true and correct, and if called upon as a witness I could and would competently testify thereto.
- 3. Rolex is a corporation duly organized and existing under the laws of the State of New York, having an office and principal place of business at 665 Fifth Avenue, New York, New York 10022.
- 4. Rolex is the exclusive distributor and warrantor in the United States of Rolex watches, all of which bear one or more of Rolex's Registered Trademarks. Rolex watches are identified by the trade name and trademark ROLEX and one or more of Rolex's trademarks.
- 5. Rolex is responsible for assembling, finishing, marketing and selling in interstate commerce high quality Rolex watches, watch bracelets and related products for men and women.
- 6. Correct and true copies of certified copies of Rolex's federal trademark registrations (hereinafter collectively referred to as the "Rolex Registered Trademarks") are attached hereto as **Exhibit 1**.
- 7. On or about December 2011, Rolex discovered the website www.youtubewatches.com (the "Website") which is being used to advertise, distribute, promote, offer for sale and sell watches bearing counterfeits and infringements of the Rolex Registered Trademarks. Representative sample printouts of this website are attached hereto as **Exhibit 2** and incorporated herein by reference. These watches are sold as "100% mirror genuine ones" and as "almost the same feel and weight as original." It is clear that these items are not genuine Rolex Watches.

- 8. Further, Defendants are using the website www.craiglist.org to advertise the Website and watches bearing counterfeits and infringements of the Rolex Registered Trademarks. Sample listings of the www.craigslist.org advertisements are attached hereto as Exhibit 3 and incorporated herein by reference.
- 9. The Website is registered to Munoz at the address 13801 Chef Menteur Highway, #14, New Orleans, LA 70129 and the phone number (504) 210-7986. A copy of the Whois information for the Website is attached hereto as **Exhibit 4** and incorporated herein by reference.
- 10. As detailed in the affidavit of Benjamin Kwapisz submitted herewith, Rolex's agent purchased one (1) watch from Defendants bearing counterfeits and infringements of the Rolex Registered Trademarks (the "Counterfeit Watch").
- 11. Rolex's representative has examined the Counterfeit Watch and determined that none of its parts, including the dial, bracelet links, bezel and movement are of Rolex origin. The Counterfeit Watch contains numerous counterfeits and infringements of the Rolex Registered Trademarks. See Affidavit of John Crowe.
- 12. To date, Defendants continue to offer for sale and sell watches bearing counterfeits of the Rolex Registered Trademarks on the Internet.
- 13. As I have experienced, the only way for Rolex to obtain proper relief against counterfeiters is on an *ex parte* basis. If notice is given to Defendants, they are likely to conceal and/or destroy all illegal inventory and records relating to its purchases and sales. Further, Defendants are likely to secrete and conceal all income related to such illegal sales therefore Rolex would never fully learn the scope of Defendants' unauthorized activities.
- 14. Rolex has pursued multiple legal actions against counterfeiters and has gone to great lengths to protect its name and enforce its trademarks. The harm to Rolex is great. Rolex's goodwill

Case 1:12-cv-00806-WHP Document 13 Filed 02/09/12 Page 4 of 4

is being preyed upon by those selling poor quality merchandise and making exorbitant profits.

Defendants are being unjustly enriched from their use of the Rolex Registered Trademarks.

15. Such unauthorized activity undercuts and threatens to destroy the market for

authorized watches. Rolex spends substantial sums and resources advertising and promoting its

watches. Defendants benefit from Rolex's marketing efforts but distribute watches bearing

counterfeits of the Rolex Registered Trademarks. Rolex is suffering severe and irreparable

injury because of the distribution of watches bearing counterfeits of the Rolex Registered

Trademarks.

16.

Wherefore, it is respectfully requested that Rolex's request for a temporary

restraining order against Defendants be granted.

Dated: Jamany 31, 2012

CHARLES BERTHIAUME

Sworn to before me this <u>31</u> day

of <u>January</u>, 2012.

Notary Public

WALTER MICHAEL LEE Notary Public, State of New York No. 02LE6117620

Qualified in New York County
Commission Expires October 25, 2012